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Canada, Unemployment Insurance
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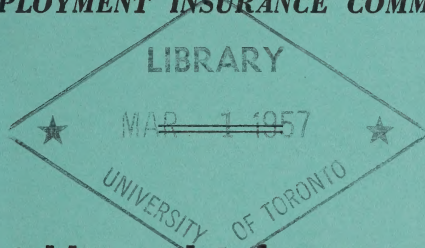


CANADA

General
Publications

CG-17

UNEMPLOYMENT INSURANCE COMMISSION



Additional Information

for Employers

in

Lumbering and Logging

OTTAWA, OCTOBER, 1956

Responsibility of Principal Operator

1. By authority of the Unemployment Insurance Act, the Commission has made a regulation to provide that when any person, engaged by an employer under a contract of service, performs any work in connection with any operations in lumbering and logging, in any logging limits, driveways, yards or mills, the owner thereof who authorizes the employer to undertake the work shall, in addition to such employer, be deemed to be the employer of such person for the purpose of the payment of contributions under the Act and Regulations.

“Owner” means any owner (other than the Crown), lessee, licensee or permittee, but does not include one who only sells or rents stumpage or cutting rights.

“Lumbering and logging” means the cutting, skidding, felling, hauling, scaling, banking, driving, running, rafting or booming, and processing at the scene of woods operations, of any logs or timber including cord wood, cedar posts, telegraph poles, railroad ties, tan bark, pulpwood, shingle bolts and staves.

2. If you are the owner or lessee or permittee of a limit, and only sell stumpage or other cutting rights to an operator or contractor, and have no other interest, you are not liable to payment of contributions.

3. The Crown, whether in the right of Canada or of a province, is not liable.

Owner, i.e., Principal Employer

4. Usually the person or corporation that keeps the payrolls and pays the workers is responsible for deducting the employees' share and paying the full contribution on behalf of the persons on the payrolls. But under the regulation you, as the principal employer, are *also* fully liable for these payments if your jobber or contractor fails to pay them.

5. You may take the responsibility of paying contributions of persons on the payroll of your contractors or jobbers. If you do, you may deduct any contributions paid by you from any moneys payable by you to the actual employer. If you wish, you may make provision for this in the contracts you draw up with your contractors and jobbers.

6. Jobbers and contractors who, under their contracts, pay salaries and wages or other remuneration to their workers must register as employers at their nearest National Employment Office. It is to your advantage to see that they do this. It would also be helpful if you would notify the local office each time you make a contract so that we could check to see that everyone registers.

Registration

7. Every lumbering or logging operator must register as an employer. However, you do not have to register if you are a jobber or contractor *and your principal employer pays contributions for your employees.*

8. To register, you complete *Employer's Application for Registration*, form UIC 401, and send it to the nearest National Employment Office. If you already have a *Licence to Purchase Stamps*, enter the licence number on the application. Our local office will then supply a licence (when necessary), forms on which to register your woods employees (form UIC 409R), and instructions about paying contributions.

9. Syndicates and other associations of workers who take contracts and operate as a group are regarded as partnerships when they maintain their own wage records and are paid as a group. They do not have to register as employers.

10. If you have divided your activities into several self-supporting divisions, you should register these divisions separately, either under one or separate licence numbers. (See also paragraph No. 36.)

11. If you are a farmer operating in a small way on your own wood lot, or buying cutting rights on a neighbour's lot to get fuel wood and lumber primarily for your

own use, you are not considered to be engaged in lumbering and logging within the meaning of the Act. Therefore, you are not required to register as an employer. But if you take a contract to cut logs on limits owned by a logging company or the Crown and go into lumbering and logging as a separate business, your employees are insurable because this work is not incidental to your farming operations.

INSURED EMPLOYEES

12. On April 1, 1950, contributions became payable in all parts of Canada for all workers employed in lumbering and logging, except those described below. Previously, the only persons insured were those working in sawmills, planing mills and other wood-processing plants that operate continuously (except in British Columbia, where all employees, including loggers, have been insured since August, 1946).

Contractors and Sub-contractors

13. (1) A piece-work producer is insurable if, working by himself or with one or two others, he is paid on the kind of settlement sheet record used for employees.

(2) A contractor, sub-contractor, jobber or sub-jobber who is paid on a contract or job record is not insurable. The workers he employs for the job are, however, insurable.

Forest Fire Fighters

14. Woods workers who are called from their regular work to take part in forest protection (e.g., fire fighting) for a short time will continue their insurance at their ordinary rates. Casual fire fighters brought in for not more than ten days in any period of thirty days are excepted.

Truckers and Teamsters

15. A trucker using his own trucks in his work is not insurable. If he has helpers they will be insured by the company if they are paid by the company. If the trucker pays the wages of his helpers, he must register as an employer and be primarily responsible for their contributions.

16. An employee who supplies his own horse, with or without hauling equipment, is insurable at the rate which applies to his own earnings only. (See paragraph No. 44.)

Family Workers

17. A husband or wife is not insurable if his or her employer is the spouse.

Voluntary Exception — Farmers and Others Working for Short Periods

18. A farmer, farm labourer, trapper, or any person whose main livelihood is from a non-insurable occupation may apply for exception from insurance if he is employed by you for not more than twenty weeks in any calendar year.

19. NO EMPLOYEE IS FORCED TO APPLY FOR THIS EXCEPTION IF HE WISHES TO PAY CONTRIBUTIONS AND BE INSURED.

20. To apply for this exception, your employee should fill out a Declaration re Inconsiderable Employment, form UIC 587A (single copy), and give it to you, his employer. You or your employee can get these forms at any National Employment Office.

21. You, the employer, keep the declaration with your payroll records. You should keep it, like other records, for three years so that it can be inspected by the Commission's auditors if necessary.

22. If you rehire the same employee at various times during the same calendar year, he need not make a new declaration each time. If he goes to another camp of yours but one with an independent payroll he should make a new declaration, and if he goes to other employers, he should put in an application with each employer. If the employee is hired again in another season he must make a new declaration if he wishes to be excepted.

23. The exception can apply only if his employment within a calendar year does not exceed twenty weeks. If there is a possibility that his employment will exceed twenty

weeks, you should insure him at the start of his employment, because, if his employment continues in excess of twenty weeks in a year, you will be required to pay unemployment insurance contributions from the beginning of the employment in that year.

24. You will not be held responsible for anything the employee states in the declaration, but you should ensure that there is no pressure on him, either from your sub-contractors or your own employees. *The Application for Exception is voluntary.*

INSURANCE BOOKS

25. When you register or report as in paragraph 8, we will send you a sample *Unemployment Insurance Card*, form UIC 407A, and a sample *Employees' Application for Insurance Book*, form UIC 409R. If you ask at the National Employment Office, you can get any of the forms you need for the insuring of your workers.

26. Many persons who seek woods work already are insured. Accordingly, when you hire a woods worker, ask him for his insurance book, and record unemployment insurance contributions in the book in the usual way. If he has no book, send for one for him by filling in a form UIC 409R and mailing it *right away* to the nearest National Employment Office. In the meantime, since contributions must be made for him each pay period, you may affix unemployment insurance stamps to a blank insurance card, form UIC 407A, until the insurance book arrives. When the insurance book comes, attach the card to it firmly.

27. Should the worker leave before his insurance book is received, send the insurance card *immediately* to the nearest National Employment Office, with your name or registration number clearly written or stamped across the face of the stamps. Always be very careful to enter the employee's *name in full* and his *date of birth*. Should the insurance book arrive after the worker has left, send it back to the nearest National Employment Office *immediately*.

28. You may be an employer who pays contributions under the bulk payment method. If you are, you will *not* be given blank insurance books, but instead we will send

you a regular insurance book for each completed form UIC 409R we receive. When a woods worker leaves before you receive his insurance book, send a completed form UIC 443H, or a duplicate of form UIC 443, with name, and with date of birth marked in the space for the insurance number, direct to your nearest National Employment Office.

29. The use of the Unemployment Insurance Card, form UIC 407A, does not change the way you go about getting a regular insurance book. Neither does the fact that you have sent form UIC 443H, or a duplicate of form UIC 443, direct to the Commission's local office mean that you do not need to deliver insurance books to your employees as soon as they leave your employment. When you hire a man without an insurance book, you must immediately take the usual steps to get his book, and when he leaves the job you must make every effort to deliver his book to him with contributions properly affixed in it.

30. Insurance books containing a record of contributions must be up-to-date so that workers can get them when they leave the job. For this reason, you should keep insurance books at the point where you make settlement with the employee who is leaving.

31. So that you can calculate contributions quickly and deliver insurance books promptly, the contribution rates of certain piece workers are "frozen" (See paragraphs 44 to 47). This makes it possible for you to give the employees their insurance books when they leave without waiting for the final settlement of wages.

32. You should get receipts for all insurance books you give your employees when they quit work. If an employee fails to check out at the pay point when leaving, you should mail the insurance book to *him* with his settlement cheque. If you mail the book separately from the cheque, send it by registered mail so you will have a receipt.

Safekeeping of Insurance Books

33. To follow these instructions, you will have to keep books in camps and field offices where few, if any, safeguards against fire or theft are possible. We expect

you to use every reasonable precaution to safeguard your employees' books; if you do this, you will not be held liable for books destroyed. We will ask you to co-operate with the Commission's officers in the reconstruction of any records so lost.

CONTRIBUTIONS

Methods of Payment

34. You may make contributions by stamps, metering device, or the bulk payment method. As we said in paragraph 29, you must have insurance books ready for your employees when they leave. Therefore, the method you use to make contributions should be the one most certain to give this result.

35. The bulk payment method is suitable only if you are an employer with a large number of employees and you have mechanical wage-record equipment. The metering method is also appropriate for you if you have a large number of employees and your pay records are centralized. For employers who have few employees and for those with decentralized records the stamp method is best.

36. You may use any or all of the methods so long as you have separate payrolls for each method used. For example, you might use the bulk payment method for your mill workers, a meter for a large camp or division, and stamps for smaller camps. When you use different methods or when divisions operate independently, you should have separate licence numbers.

Pay Periods

37. You must make contributions at the close of each pay period and when the worker leaves your employ. In some operations and areas, there are no fixed pay periods and, while advances are made from time to time, no settlement is made until the operation is finished or until the employee leaves his employment. If this is your practice,

you may make contributions when the worker leaves. You should then affix stamps or meter impressions in the book to cover the weeks, semi-months or months worked. If you are contributing under a bulk payment permit you must give the employee a Certificate of Contributions, form UIC 443H, or a duplicate of form UIC 443, showing by quarters the weeks, semi-months or months worked and the employee contributions paid during your current insurance year (ending December 31 or March 31) or since the employee's most recent date of hiring if he did not work the full insurance year.

Contribution Rates

38. When the wage is pre-determined, e.g., a daily, weekly or monthly rate, use the ordinary methods of calculating the earnings and contributions. Treat piece workers as explained in paragraphs 44 to 47.

39. Contributions are based on the gross earnings, including the reasonable value of board and lodging provided to the employees without charge. The same basis as for income tax and workmen's compensation is generally considered a reasonable valuation of these items.

40. If an employee leaves owing money to his employer, contributions for the weeks worked are still required, based on his earnings in such weeks. When the rate of pay is reduced because the employee worked only a short period (e.g., the "jumper" rate under Ordinance No. 39 of the Quebec M.W.C.), the contributions are based on the actual wages earned.

41. For employees paid *at a monthly rate* contributions will be paid as follows:

(a) *If your pay period is semi-monthly:*

Make a semi-monthly contribution after each pay day based on his gross earnings in the pay period. If you are using stamps, affix a semi-monthly stamp of the proper value in the weekly space in which your pay period ends.

(b) *If your pay period is monthly:*

Make a monthly contribution after each pay day based on his gross earnings in the pay period. If you are using stamps, affix two semi-monthly stamps of the proper aggregate value in the weekly space in which your pay period ends.

Note: If at time of separation the employee has not worked the full pay period or in each calendar week within the pay period, make contributions on a weekly basis for the calendar weeks within the pay period in which he did work (but not for more than four).

42. Workers who do no work at a camp because of adverse weather, but who, nevertheless, receive their board and lodging under their contract of service, must make contributions for the time no work is done.

43. Certain drivers and others earn incentive bonuses which are only known at the termination of employment. If you have paid wages and calculated contributions for any pay period, you make no retroactive adjustment of contributions and ignore the bonus or other extra payment. If, however, you calculate contributions only at the end of the period (when the incentive pay is known), you must make contributions for the whole period on the basis of the wages, including the incentive pay.

Piece Workers, etc. — Number of Contributions

44. (1) For the following classes of employees divisors are provided by regulation to determine the number of weekly contributions required:—

(a) Piece Workers—any employee paid for cutting or any other operation in the woods on a basis other than time.

(b) Employees who supply horses, saws, etc., as well as perform labour and who are paid for their own work and the use of their equipment. (This does not include truck owners—see paragraph 15.)

(2) *If there are no time records:* Determine the number of weekly contributions on a piece-rate basis on the following scale:

(a) For pulpwood, pit wood, spool wood, fuel wood and any other wood which is measured by the cord:—

8 cords—cutting only — 1 week

6 cords—cutting and sap peeling — 1 week

4 cords—cutting and dry shaving — 1 week

(b) For cutting saw logs and hardwood, which are measured by the thousand feet, board measure:—

6,000 f.b.m. — 1 week

(c) A fraction of more than a half counts as an extra week. If a half or less, it is ignored unless the *total cut* is less than the divisor.

(3) *If there are time records:*

The number of weekly contributions is determined by dividing the total number of days worked by the employee by six. A fraction of more than a half counts as an extra week. If a half or less, it is ignored unless the *total time* worked is three days or less.

45. Where an employee normally paid at piece rates gets occasional days of employment with the same employer at daily rates and the employer has time records showing the actual days worked, the rule for determining the number of contribution weeks in the case of piece workers will still apply; that is, the total number of days will be divided by six.

46. A fraction of a day on which work was done counts as a day. For example, nine and one-half days is treated as ten days of employment. Applying the divisor of six will result in one week and four days, or two contribution weeks.

Piece Workers, etc. — Rate of Contribution

47. Contributions for the classes of workers described in paragraph 44 are made (a) in British Columbia as if the weekly earnings were in the range \$57 and over, and (b) in all other provinces as if the range were \$51 to \$56.99; except that where the total credit is for half a week or less, the earnings are deemed to be in the range \$15 to \$20.99.

GENERAL

Examination of Employer Records

48. The Commission makes audits at your place of business where the records are on file and as far as possible at times most convenient to you.

Publicity

49. We supply posters for camps, pay offices and other company premises, telling workers that employment in lumbering and logging is insurable.

Benefit

50. When a former employee makes a claim for benefit it is necessary for the National Employment Office, at which the claim is made, to obtain certain particulars concerning his separation from employment. Accordingly, a Confirmation of Separation, form UIC 479, is sent. It is essential that, when this form is received by the employer, it be completed fully and accurately, and returned promptly to the National Employment Office of origin. It is stressed that the form UIC 479 must be completed by a representative of the employer who has knowledge of the facts or can obtain the information from the employer's records.

51. We supply you with leaflets for your employees. These leaflets tell how and when benefit is paid under the Act and how to make claims for benefit. One thing in particular to remember is that a claimant can be disqualified for as long as six weeks if he leaves his employment voluntarily or is discharged for cause. Also, a claimant cannot draw benefit if he turns down suitable work when it is offered to him.

52. Much of the material in this booklet was prepared in response to inquiries received from employers, either individually or through their associations. If any questions have been left unanswered or if new ones arise, please write your nearest National Employment Office for more information.

**THE
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CAN HELP YOU**

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The Commission maintains more than two hundred local offices situated at strategic points throughout Canada. These offices can help you if you are an employer who needs bush workers—particularly if these workers must be brought in from other areas. Many employers are already making use of our offices, and now that workers in this industry are insurable, the service will be even more helpful.

**If you need Workers write or phone
your nearest
National Employment Office**

